BOARD MEMBERS PRESENT: Frazier, Hamby, Jordan, Clark, Ingram, Hunt
BOARD MEMBERS ABSENT: Johnson
EX-OFFICIO MEMBERS PRESENT: Lackey, Perry, Allison
OTHERS PRESENT: Waithe, Grayson

Chairman David Frazier called the meeting to order at 10:05 AM and served as the presiding officer.

ORGANIZATIONAL MEETING:

Oath of Office: Tommy Hunt, All Employees Representative
Board Member Denise Jordan administered the Oath of Office to newly elected Board Member Tommy Hunt. He replaced Horace Gee.

Election of Chairman
Board Member Tommy Hunt nominated David Frazier to serve another term as Chairman. There were no other nominations.

Motion to accept the nomination of David Frazier as Chairman.

Motion made by Board Member Ingram
Motion seconded by Board Member Hamby
Votes favoring the motion: Hamby, Jordan, Clark, Ingram, Hunt
Abstain: Frazier
Absent: Johnson

Election of Vice Chairman
Board Member Gary Clark nominated Matt Hamby to serve another term as Vice Chairman. There were no other nominations.

Motion to accept the nomination of Matt Hamby as Vice Chairman.

Motion made by Board Member Hunt
Motion seconded by Board Member Ingram
Votes favoring the motion: Frazier, Jordan, Clark, Ingram, Hunt
Abstain: Hamby
Absent: Johnson

REPORTS:

Fourth Quarter 2016 Investment Report
Consultant Jeff Swanson, Southeastern Advisory Services, stated there had been a lot of changes since the last meeting. He commented on the various changes noting the changes were positive in terms of investments.

Mr. Swanson provided a brief overview of the investment report which, in summary, indicated the Total Plan (including Receipts and Disbursements) had a market value of $84,648,410 as of December 31, 2016. As of December 31, 2016, 64.3% of the Plan (including Receipts and Disbursements) was invested in equities and 34.3% in bond/absolute return funds. For the quarter ending December 31, 2016, the portfolio was up 12.1% and for the three year period the portfolio was up 6.0%. Other notable comments from the report were as follows:

- The real estate allocation will be very important for Gainesville going forward because it represents a diversification endeavor that can work in any market.
- The Plan's asset value is continuing to rise.
- The Plan's equity value was over 55% for the quarter due to good asset performance. Rebalancing was not recommended at this time due to the pending Real Estate allocation.
- If interest rates continue to rise, the portfolio may experience very low or negative returns from bonds.

Upon inquiry from Chairman Frazier, Mr. Swanson commented on the performance of the equity managers noting his only concern was with the Wells Fargo Growth Fund. He stated he would continue to watch them closely for now.

UPDATES:

Contract with JP Morgan

Board Member Denise Jordan provided an update on the contract with JP Morgan noting the governing body for the City of Gainesville authorized the resolution to enter into the contract. The contract has been submitted to JP Morgan along with additional documentation. She stated the Board is not officially entered into the queue until the contract has been fully executed. The Board will be notified once this occurs.

Wells Fargo Service Issues

Upon inquiry, Board Member Denise Jordan provided the status on adding authorized signers and securing their tokens.

NEW BUSINESS:

Benefit Statements

Consulting Actuary Malachi Waterman and Senior Actuarial Analyst Jody Martin of The Segal Company were in attendance to present information related to the preparation of benefit statements. They had questions on how to handle crossover participants (participants that have a benefit with the old Plan and the new Plan). Currently, there are no crossover participants eligible to retire. Mr. Waterman stated, at this point, they will need to receive direction from the Board on a) the intention, and b) the manner in which the Board would like to proceed.

There was a discussion which concluded with the following decisions:

- There would be no service distribution from the old Plan while still employed under the new Plan.
- Benefits for each Plan should be calculated separately.
- A participant must retire to obtain the benefit.
- Amendments to the Plan Document may be needed.

Class Action Lawsuits

Chairman David Frazier commented on a letter received from Salem Trust Company regarding class action lawsuit processing. This service was previously provided by Salem Trust as part of the service agreement. The Board will need to decide if it will continue this service under Salem Trust for a fee or transition the service to the current custodian (Wells Fargo). The Plan's attorney recommended transitioning the service to Wells Fargo.

Board Member Denise Jordan shared information from Finance indicating a little more than $12,000 was received during the past two fiscal years.

Chairman Frazier stated Wells Fargo would be contacted and additional information would be provided at the April 11, 2017 meeting.

City of Gainesville Travel Policy
Board Member Matt Hamby stated there was a new City of Gainesville Travel Policy noting the Board has traditionally followed the city's policy. He briefly commented on the website, new forms and procedures for processing Out of Town Travel expense reports. He stated the procedure for handling the per diem allotment was at the discretion of each department and the Board needed to determine how it wanted to handle this particular process for future travel.

There was a discussion regarding payment of the per diem for meals when meals are included in the registration. Several Board Members commented on expenses being paid from the Retirement Fund and the importance of being frugal to minimize costs to the Plan.

Board Member Denise Jordan commented on how registrations have been handled confirming the City Clerk's Office will complete the paperwork and will process the per diem excluding meals that are provided. Receipts will be required to reimburse expenses not addressed in advance.

Motion to follow the 2017 City of Gainesville Travel Policy excluding meals that are included in the registration.

Motion made by Board Member Jordan
Motion seconded by Board Member Hunt
Votes favoring the motion: Frazier, Hamby, Jordan, Clark, Ingram, Hunt
Absent: Johnson

Board Member Denise Jordan stated paperwork was available for Board Members attending the upcoming GAPPT School to sign.

NOTE: Bryan Lackey left the meeting at 11:25 AM.

2017 Goals
Chairman David Frazier reviewed the 2016 Goals and indicated all the Short Term goals had been completed with the exception of the goal to Achieve Actuarial Rate of Return of 7.5%. The Mid Term Goals were not on track for completion at this time.

The proposed 2017 Goals were noted as follows:

- Short Term
  - Publish four (4) newsletters.
  - Conduct four (4) informational sessions with Departments.
  - Achieve 7.25% Actuarial Rate of Return.
  - All Board Members, at minimum, obtain Basic GAPPT Certification.

- Long Term:
  - 100% Funding within 25 years.
  - COLA Feasibility Study within 7 years.
  - Achieve Large Retirement Plan status within 7 years.

Mr. Frazier commented on a desire to establish a budget for the RPA Board to track expenses. Board Member Matt Hamby stated he would proceed with exploring the possibility of creating an expense report and will present this information at a future meeting.

After a brief discussion, Board Member Tommy Hunt stated he would research election processes and terms related to Retirement Boards and present this information at a future meeting.

NOTE: Jeremy Perry left the meeting at 11:57 AM.

EXECUTIVE SESSION:

Chairman David Frazier requested an Executive Session to discuss personnel matters.

Motion to close the meeting to enter an Executive Session to discuss personnel matters at 11:59 AM

Motion made by Board Member Hunt
Motion seconded by Board Member Jordan
Votes favoring the motion: Frazier, Hamby, Jordan, Clark, Ingram, Hunt
Absent: Johnson

MEMBERS PRESENT:	Frazier, Hamby, Jordan, Clark, Ingram, Hunt
MEMBERS ABSENT:	Johnson
EX-OFFICIOS PRESENT:	Allison
EX-OFFICIOS ABSENT:	Lackey, Perry
OTHERS PRESENT:	Waithe, Grayson

Motion to close the Executive Session and to continue the meeting at 12:09 PM.

Motion made by Board Member Hamby
Motion seconded by Board Member Hunt
Votes favoring the motion: Frazier, Hamby, Jordan, Clark, Ingram, Hunt
Absent: Johnson

REGULAR BUSINESS:

Executive Session Minutes: January 17, 2017

Motion to accept the January 17, 2017 Executive Session Minutes as presented.

Motion made by Board Member Hamby
Motion seconded by Board Member Ingram
Votes favoring the motion: Frazier, Hamby, Jordan, Clark, Ingram

Abstain: Hunt
Absent: Johnson

Retirements
Retirement and Benefits Manager Delores Waithe reported there were five retirements since the last meeting. The report indicated the following:

Retiree Name		Type Benefit	Effective Date	Benefit Start Date	Spousal Option
1	Randolph, Alicia L.	Normal	12/30/2016	01/01/2017	N
2	Campbell, Jr., Lloyd	Normal	12/30/2016	01/01/2017	N
3	Dockery, David	Normal	12/31/2016	01/01/2017	N
4	West, Michael	Normal	12/30/2016	01/01/2017	N
5	Couch, Millard	Normal	12/30/2016	01/01/2017	N

Motion to approve the benefits report as presented.

Motion made by Board Member Hamby
Motion seconded by Board Member Hunt
Votes favoring the motion: Frazier, Hamby, Jordan, Clark, Ingram, Hunt
Absent: Johnson

Disbursements
Retirement and Benefits Manager Delores Waithe reported there were seven refunds/disbursements totaling $153,172.01 since the last meeting. The report indicated the following:

Employee Name		Department	Termination Date	Processed Distribution
1	Martinez, Eddie	Water Resources	12/16/2016	01/11/2017
2	Bales, Cory	Water Resources	12/24/2016	01/11/2017
3	Hall, Natalie	Water Resources	12/30/2016	01/11/2017
4	Collins, Matthew	Water Resources	12/30/2016	01/11/2017
5	Brown, Guy	Water Resources	12/14/2016	01/20/2017
6	Gilstrap, Thomas	Water Resources	01/03/2017	01/26/2017
7	Hopkins, Michael	Water Resources	01/13/2017	01/26/2017

Motion to approve the disbursements/refunds as presented.

Motion made by Board Member Hunt
Motion seconded by Board Member Hamby

DISCUSSION:

Upon inquiry from Board Member Gary Clark, it was confirmed the total disbursed amount includes rollovers.

Votes favoring the motion: Frazier, Hamby, Jordan, Clark, Ingram, Hunt
Absent: Johnson

Minutes: January 17, 2017 RPA Board Meeting

Motion to approve the minutes accepting edits as presented.

Motion made by Board Member Hamby
Motion seconded by Board Member Clark
Votes favoring the motion: Frazier, Hamby, Jordan, Clark, Ingram
Abstain: Hunt
Absent: Johnson

ADJOURNMENT: 12:13 PM

/ag

David Frazier, Chairman

Denise O. Jordan, Secretary to the Board